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Title : Regarding problems faced by farmers of Tamil Nadu due to demonetisation of currency notes.

SHRI C. MAHENDRAN (POLLACHI): The problems faced by farmers due to demonetisation and the Reserve Bank of India's restrictions on cooperative banks & societies had hit very badly the agricultural operations in Tamil Nadu. The people in rural areas, mostly farmers and agro workers, bank with 4474 Primary Agricultural Cooperative Credit Societies (PACC) for their time-bound agricultural activities.

Therefore, the Government of Tamil Nadu has rolled out a special package for farmers through cooperative institutions to mitigate the hardships faced by them due to demonetisation. The success of special package would depend solely on availability of adequate currency notes with cooperative institutions.

MPs from our party have requested the Finance Minister for immediate release of Rs. 3000 crore in currency notes for crop loans in Tamil Nadu during November-December, the peak agricultural season. This should be in addition to the regular flow of currency notes at par with scheduled commercial banks. The PACCs should be allowed to accept repayment of loans by cash (including old Rs 500 and 1,000 notes). The District Central Cooperative Banks should be permitted to disburse money to PACCs without Rs. 24,000 cap per week to support agricultural operations with immediate effect.

I urge the Union Government to take a serious note on the plight of farmers in Tamil Nadu and take necessary steps in this regard.